

# APPENDIX - F

## Glossary

**Accrual Accounting** - A basis of accounting in which revenues are recognized when earned and expenses when incurred.

**Activity** - The smallest unit of budgetary accountability which defines specific and distinguishable lines of work performed by a department or division for the purpose of accomplishing a particular service.

**Appropriation** - An authorization made by City Council to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one year period, except in the instance of capital projects where they are granted for the duration of the project.

**Assessed Valuation** - A valuation set upon real estate or other property by the County Assessor as a basis for levying taxes.

**Assessment Ratio** - A percentage which is multiplied by the appraised market value of a property to determine the assessed value.

**Budget** - A plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of financing them.

**Capital Improvement Program (CIP)** - A schedule of capital expenditures to be incurred over a five-year period to carry out the City's program of public improvements.

**Capital Budget** - The first year of the CIP as approved by City Council.

**Capital Improvement Project** - An item whose construction or other acquisition represents a physical improvement to the community and adds to the total physical worth of the City. The improvement should have a useful life of not less than 10 years, and normally will exceed \$100,000 in total cost.

**Capital Outlay** - In the operating budget, refers to any item which has an expected useful life of greater than 3 years and an estimated unit cost of \$5,000 or more.

**CBD** - Central Business District.

**CD** - Community Development Division.

**CDBG** - Community Development Block Grant.

**CPI** - Consumer Price Index.

**CVB** - Convention and Visitors Bureau.

**Debt Service** - Payment of interest and principal on an obligation resulting from the issuance of bonds.

**DHEC** - Department of Health and Environmental Control.

**DOT** - Department of Transportation.

**Encumbrance** - Funds not yet expended, but which are obligated or set aside in anticipation of expenditures.

**Enterprise Fund** - An accounting entity used to account for operations in which the cost of providing services to the public on a continuing basis is financed primarily through user charges.

**Fiscal Year** - 12 month period beginning with July 1 and ending with June 30 of the fiscal year designated.

**Full Time Position** - Employee who receives full fringe benefits and whose salary is calculated on the basis of 2,080 hours per year.

**Fund** - A fiscal and accounting tool with a self balancing set of accounts to record revenues and expenditures.

**Fund Balance** - The excess of an entity's assets over its liabilities, which may include reserves and designations.

**GAAP** - Generally Accepted Accounting Practices.

**GASB** - Governmental Accounting Standards Board.

**General Fund** - An accounting entity used to account for all revenue and expenditures applicable to general operations of governmental agencies of the City, and to record all financial transactions not properly accounted for in another fund.

**GFOA** - Government Finance Officers Association.

**GIS** - Geographic Information Systems.

**G. O. Bonds** - General Obligation Bonds.

**GTA** - Greenville Transit Authority.

**HR** - Human Resources Department.

**HUD** - Federal Department of Housing and Urban Development.

**ISO** - Insurance Services Office.

**Mil** - A unit of value calculated at one dollar per one thousand dollars of assessed value.

**Millage** - A term used to describe the rate of taxes levied.

**Modified Accrual Accounting** - A basis of accounting in which revenues are recognized when they become measurable and available as net assets, and expenditures are recognized when the related fund liability is incurred. Modified accrual accounting is recommended as the standard for most governmental funds.

**NFPA** - National Fire Protection Association.

**Object of Expenditure** - A specific type of expenditure for which a unique identification number and title is given; represents the most detailed level of budgeting and recording expenditures. Also referred to as a line item.

**Objective** - A clearly described, output oriented target or accomplishment which can be measured and achieved within a given timeframe. Achievement of the objective advances the organization toward a corresponding goal.

**Operating Expense** - General category of expense that includes fixed costs (e.g., insurance and utilities) and non fixed costs (e.g., materials and contractual services) of a recurring nature.

**Personnel Service** - General category of expense that includes full time and part time salaries, overtime, supplemental pay, and fringe benefits.

**Productivity** - A measure of service output compared to the per unit of resource input invested.

**Tax Rate** - The amount of tax levied for each \$1,000 assessed valuation.

**User Fee** - Payment of a fee for direct receipt of a public service by the party benefiting from the service.

**WCRSA** - Western Carolina Regional Sewer Authority.